



June 27, 2000

Mr. Tony Young
Piper, Marbury, Radnick, & Wolfe
1200 Nineteenth Street, NW
Washington, DC 20036-2412

Dear Tony:

As required by the FDA's final regulations on the Prescription Drug Marketing Act, drug wholesalers will be required to get a written acknowledgment from a manufacturer for the distribution of their drugs for a specific period of time if they are to be considered an authorized distributor. Under the current guidance, which required 2 transactions with a manufacturer in a 24 month period of time, Supreme Distributors is an authorized distributor with 59 manufacturers.


However, in response to the new requirement, we sent requests to all 59 manufacturers asking them to acknowledge "in writing" our status as an authorized distributor. Most of our request have fallen on deaf ears, as only eight manufacturers have responded. Of the 8 responses, 7 gave us the acknowledgment we were looking for, while 1 did not, even though we have been buying directly from them for many years.


In addition, we also made written or verbal contact with 29 other manufacturers for whom we're not currently an authorized distributor. Seven (7) of them responded, all of whom denied our request. The most common reason given was that the manufacturer was not opening new accounts at this time.

Based upon our efforts and experience, it is clear that the implementation of the wholesale distribution provisions at the PDMA (particularly those relating to the definition of an authorized distributor) will have a devastating effect on our business. The overwhelming "lack of response" which we've received from manufacturers will strip us of our ability to be an authorized distributor on the majority of the product we sell, and will most likely drive us out of business.

We encourage the FDA to reconsider these regulations, before our industry, and ultimately the end user, is placed in jeopardy.

Sincerely,


Sal Ricciardi
President

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